

# PLAIN TALKS

MARCH, 1977





## **"BREAK - BREAK FOR GSU CBers"**

PLAIN TALKS wants to compile a company CB directory listing the names, handles, and locations of all you out there who own sets. The directory will be of a size that easily fits into a glove compartment. Many times you have probably spoken to another GSUer and never knew it. Now you can. This information can be very helpful as well as just plain fun. Should you have car trouble, it would be nice to know the handles of other GSUers in the area. Send in the information to PLAIN TALKS today . . . the directory will be published in mid-summer.

The Salamander  
Beaumont

NAME \_\_\_\_\_

YOUR HANDLE \_\_\_\_\_

LOCATION \_\_\_\_\_

CHANNEL YOU MONITOR MOST \_\_\_\_\_



# PLAIN TALKS

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Pat McMeel, Editor

Joe E. DeJean, Coordinator,  
Consumer Communication

Ken Haynie, Artist

GULF STATES UTILITIES CO.  
P. O. Box 2951  
Beaumont, Texas 77704

Member:  
 **Houston**

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Break-Break for GSU CB'ers

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## THE COVER:

Bill Cropper, left, Supervisor of Long Term Finance (Financial Services Department), goes over numerous documents with the aid of Benny Hughes, of the law firm of Orgain, Bell & Tucker of Beaumont, prior to the pre-closing phase of stocks and bonds issues sold recently by the Company in New York City. . . . See Page 2.







## The Role of Financial Services Dept.

# The Market Place.. An Exclusive Club

Gulf States Utilities Company is a member of one of the most exclusive clubs in the world. It is among the less than one percent of corporations today which is listed on the "Big Board" of the New York Stock Exchange. And being there is vital due to the fact that the electric utility industry is the most capital intensive industry of them all.

When GSU goes to the money markets for long-term financing it goes because Wall Street can handle the volume of financing necessary to sustain the Company in its efforts to maintain enough electric generation to meet the demands of its customers. There is really no other choice for Gulf States.

No other industry must commit millions and even billions of dollars on construction of facilities to meet a demand eight to ten years in the future. No other industry, in fact, would commit equal million and billions for projects if there was doubt that these projects could not operate for lack of electric power. Gulf States, and other investor owned utilities must be there first, with the capability of providing electricity. And to be there first means money must be obtained and spent.

It is the obtaining of this financing that is the primary function of the Financial Services Department, and its resulting periodic ventures into the world of high finance.

The story of this financing process, why GSU goes to a long-term market, and what happens when it does, is a fascinating story of the free enterprise system at work, and not at all as dull as the average per-

son might think. It's a story that needs telling, and one that needs to be understood by all those who participate in the Thrift Plan via stock purchases. What happens on Wall Street in New York, or the financial markets of Chicago or Los Angeles, directly affects YOUR dividends.

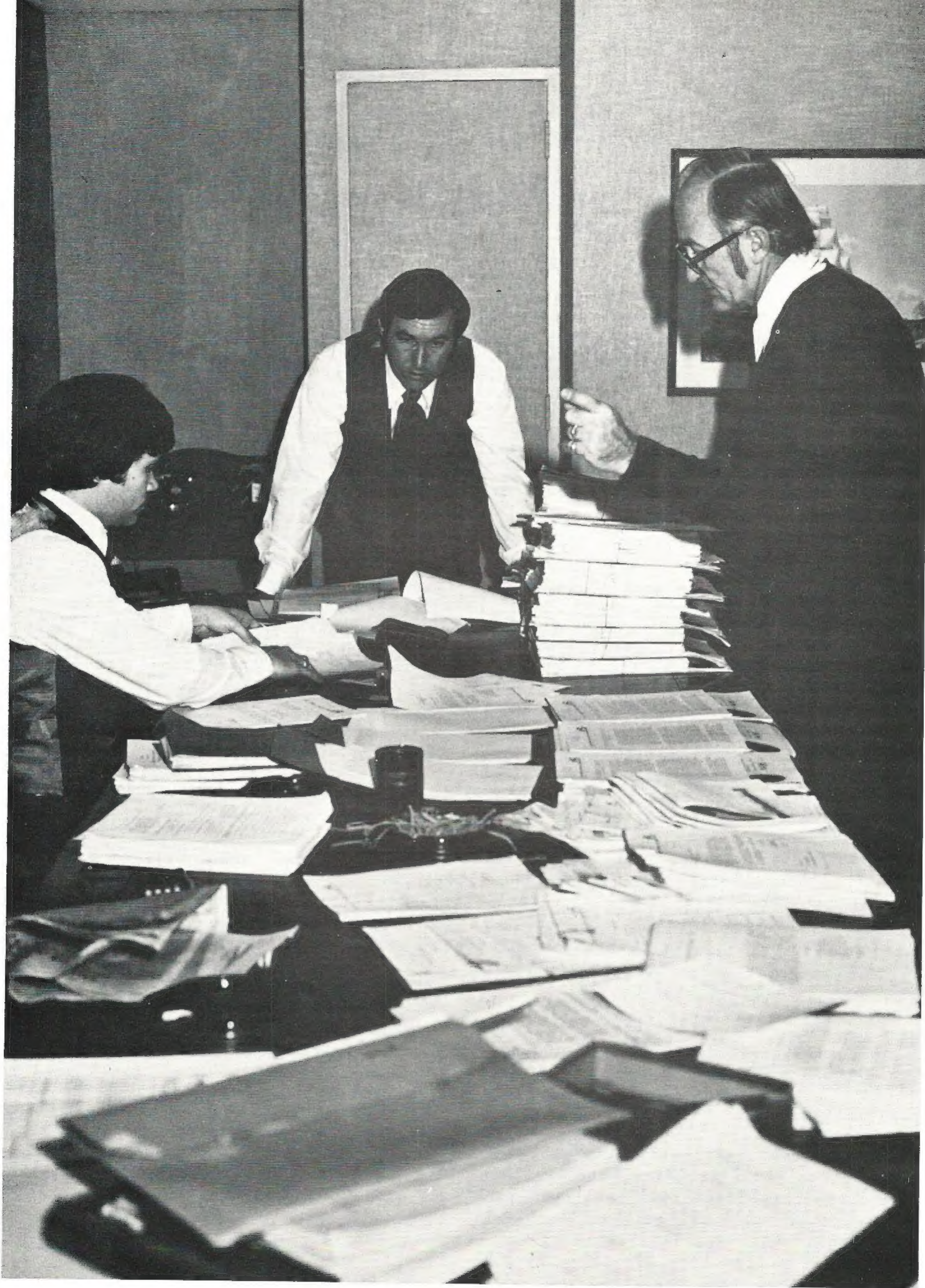
Months of effort and thousands of man-hours go into preparing for the day when officers of the Company meet face to face with the Wall Street wizards to, in effect, "sell the Company." Their homework must be thorough enough to successfully contend with the questions they know will be asked. Law firms in Beaumont, Baton Rouge, Lake Charles and New York coordinate their legal armament to coincide with similar work underway by the legal staffs of those who will be in the market to buy the GSU securities.

These prospective buyers are called "Underwriters." These underwriters may represent just their own firm or a number of investment houses, and they are the most important people the Company must satisfy to successfully conclude a stock or bond issue.

On the appointed day, after all preparation has been completed, GSU officers, with an entourage of Financial Services personnel, lawyers and accountants, meet with the underwriters in what is called the "due diligence" meeting. It is so called because the Securities Act of 1933 requires that "due diligence" be exercised by the underwriters to inform themselves about the company and the issues it is trying to sell.

The underwriters want assurance that what they are about to invest millions of dollars into is going to pay







off for them and the investing public who are their clients. As a result, the questions fired at Company officers are penetrating and to the point. Questions likely to be asked include those on attitude, and policies of regulatory commissions and their bearing upon the Company. Labor conditions, dividend and earnings prospects, future construction plans and future financing plans are other examples.

Approximately one week following the "due diligence" session, the Company meets again with the underwriters to receive bids on the issue. The specified hour in New York City is usually 11:30 a.m. A representative of each bidding group or syndicate submits his offer, including a check for three percent of the amount to be purchased.

Bids are opened "on the dot" by Company officials and examined. Each bid contains the price the underwriters will offer the Company for the securities, the price they will resell the securities to the public and the interest rates (for bonds) or the dividend rate on preferred stock, and the good faith check. After tabulating the bids, the Company officials place a call to Beaumont for authorization to accept the best bid. This authorization comes from the Board of Directors, who have gathered to await the call. The announcement is then made, and the unsuccessful bids are returned.

### **Closing The Deal**

At this point, only the closing of the transaction remains. This generally takes place about a week later. Meanwhile, the GSU board will officially approve the issue and approve the execution and delivery of the underwriter's contract. Approval must be obtained from the Securities & Exchange Commission before the issue can be offered to the public. At the closing, all documents involved in the transaction will be distributed to the proper parties, and the underwriters hand over the sought after check.

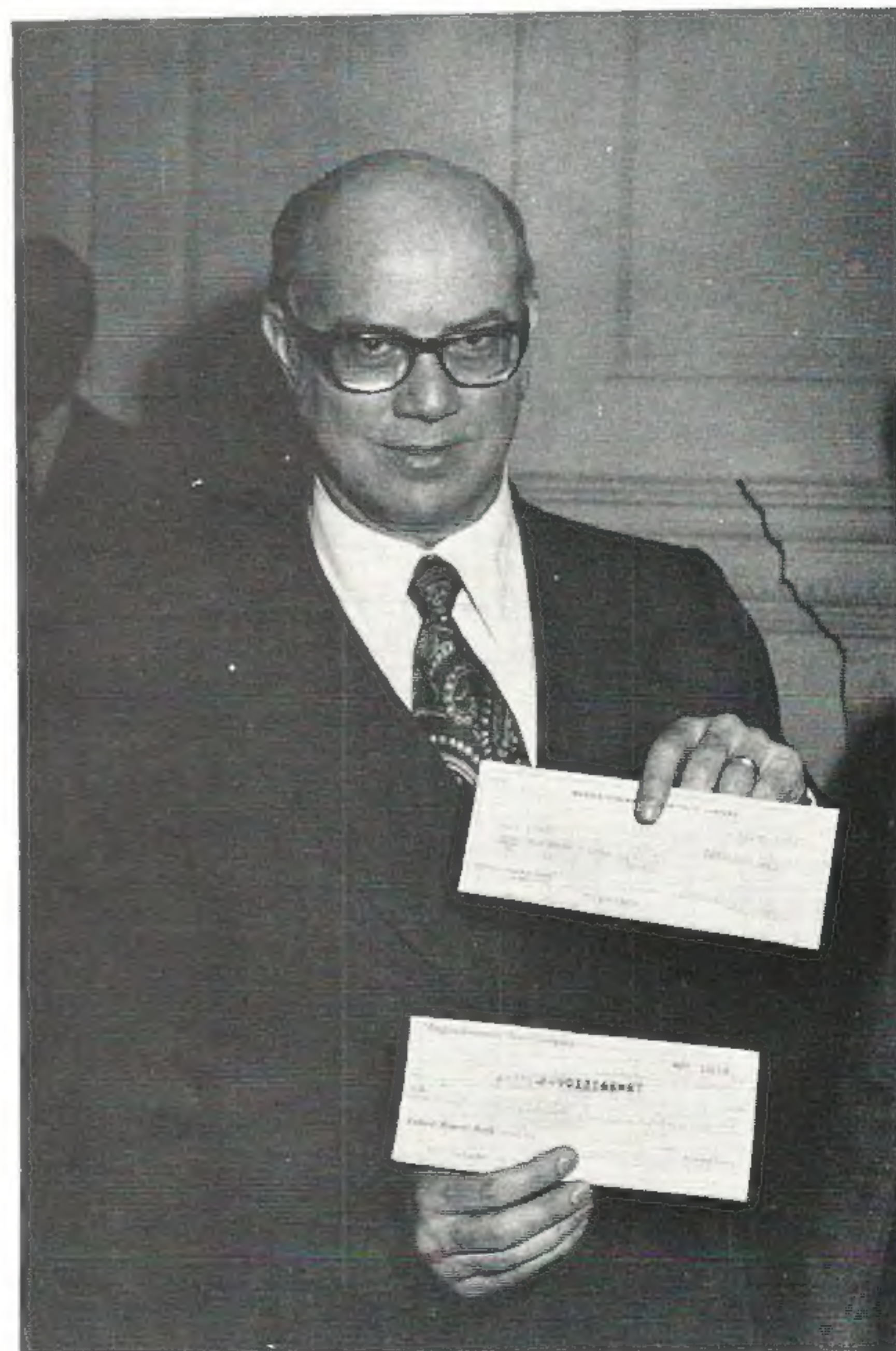
This all sounds very simple. But from the "due diligence" meeting to the closing transaction is only the final stage of a process that is much more complex, and one which spans months of hard work.

Utilities such as Gulf States would much rather depend on the short-term market for financing. Short-term simply means that money is borrowed for less than one year, much like a signature/personal unsecured loan you might make. The period of repayment is relatively short, and there is only a small interest rate involved. The important thing is that no collateral or mortgage is necessary. But, as with such a loan, there are limits. Before those credit limits are reached, the Company must seek funds from the long-term market.

It used to be that utilities generated most of their capital needs internally from the profits of operation. Those days, as with cheap energy, are

### **Bob Jackson...**

### **Money For Construction**





gone forever. Today GSU is able to finance only 44 percent of its construction capital needs internally. The remaining 56 percent must be obtained elsewhere. This is why the Company only recently completed a \$110 million preferred stocks and bonds deal. And there is every indication that another trip to the market may be forthcoming during 1977.

It is this need for capital today, to build for the demand eight and ten years from now, that places such importance on how the Company is rated by investment service companies. Obtaining a rating is voluntary, and it is done so that the Company can more easily sell what it needs to sell to obtain needed capital. Investment service company ratings such as Standard & Poor's and Moody's, are benchmarks which guide investors as to what is

Moody's. The highest rating is Aaa and AAA.

"We've been told," said William Malec, treasurer of the Company, "that the three most important aspects looked at by the rating agencies concern the financial performance of the Company, the capitalization ratio and regulatory commissions under which the Company operates."

Malec explained that financial performance, as analyzed by the potential investors, means how many times the Company earned all of the interest it must pay. "It's a measure of security for their investment," said Malec.

The second point, capitalization ratio, is a formula to determine the relative amounts of capital invested in the Company. The higher the equity investment, the stronger or more stable the bus-



## **New York Stock Exchange... An Exclusive Market Place**

a good buy and what is not. Before a rating is handed down, the investor service companies study the Company and its financial stability. A rating is then handed down and published for all to see. The rating is based on past financial history, regulatory environment quality of management personnel, amounts of revenues and the sources of the Company's business, contractual relations with other utilities. The capital structure is also looked at, as is the Company's earnings in relation to interest requirements.

The higher the rating the Company gets, the less it is going to cost GSU to obtain financing. A high rating therefore could save millions of dollars on a single issue. A low rating could actually bring financial ruin.

GSU is currently rated on its First Mortgage Bonds at AA- by Standard & Poor's and Aa by

Moody's.

"Some people say the third part, the regulatory commissions a utility operates under, is the most important aspect considered by the analysts," Malec said. "I'm not convinced that the commissions are the most important factor. If the numbers presented by the Company are good numbers, then I don't think the quality of the commissions themselves would cause a rating to rise or fall."

The making of a security issue first comes to public light generally in the form of an announcement at the time an application is filed with the Federal Power Commission, and after preliminary approval by the commission inviting sealed bids from prospective investors. This public announcement is run in various newspapers such as the Wall Street Journal. The advertisement



usually gives information about the amount, and where further information can be obtained. The ad will also specify the place, date and time for opening the bids.

The preparation for the ad is a job in itself. It requires the efforts of several people within the Financial Services Department, not to mention supportive departments such as Engineering, Tax, Legal Services, Marketing and many others. Several outside agencies must also be contracted. The Securities & Exchange Commission must judge on the legality of the registration statement and the FPC must approve the issue as well, since Gulf States does fall under interstate commerce.

Following the necessary approvals, the next step involves getting those all-important ratings

public announcement is made and the "due diligence" meetings are scheduled.

Bill Cropper, supervisor of long term finance for the Company, said not many employees realize just how complicated or time consuming the making of an issue can be. "I really can't blame anyone," Cropper said, "financial transactions can be an extremely dull subject for most employees not financially oriented. But the story needs to be told as it touches everyone employed by the Company, and those who own even a single share of our stock."



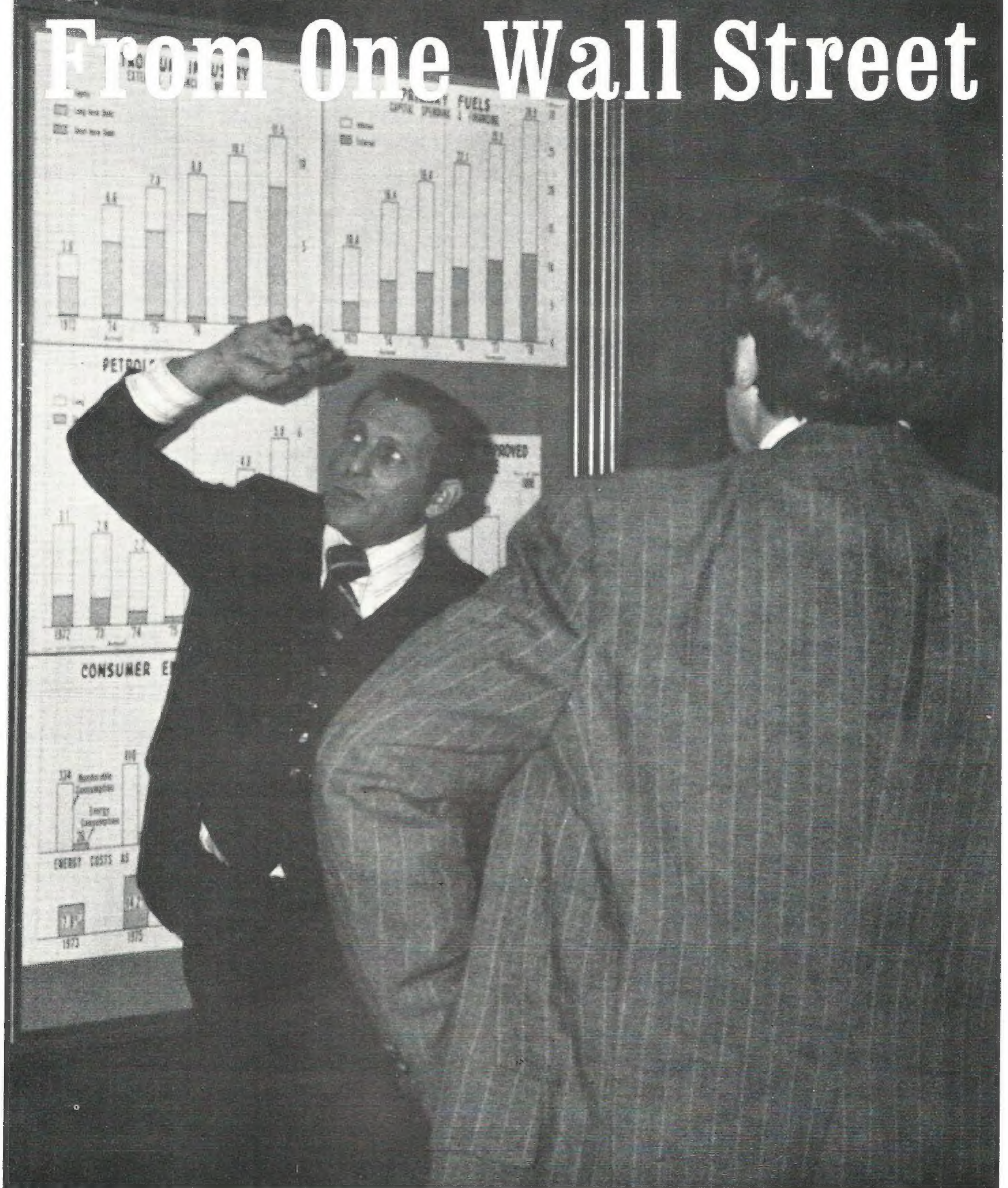
### **"Closing"...** **Usually A Week Following** **Approval By The Board**

we just discussed. The ratings are usually given after the preliminary prospectus is prepared. In the securities market, this prospectus is referred to as "the red-herring" prospectus," so named because printed in red ink on the face of the document are words to the effect that the prospectus is still subject to change. It also carries a note stating that the document is not an offer to sell, and that the securities cannot be offered for sale until such time as the prospectus qualifies with all necessary approvals.

At this stage of the game, the momentum is beginning to pick up. GSU prepares specimen bonds and makes arrangements with a certified printer for the production of the actual bonds. This procedure is akin to printing money in the U.S. Mint. The bonds are legal tender and must be handled under extreme security measures. Once this has been done, the



# Economic View From One Wall Street





Rising energy costs are directly to blame for today's economic problems of unemployment and inflation, and no end is in sight until a policy which encourages capital spending, particularly in energy-related projects, is adopted. This is the thesis of an in-depth analysis as given by Dr. Arnold E. Safer, vice president, Irving Trust Company in New York City.

Dr. Safer, recognized as one of the country's outstanding economic analysts and a Wall Street expert, entitled his presentation "The Economic View From One Wall Street-Energy and Economic Policy: Constraint or Complement."

In Dr. Safer's contention, the proposed policy to encourage capital spending could take two forms, either in the field of energy conservation, or of increasing the ability of this nation to supply itself with sufficient energy. But he warns, "they must be economically justified, and that is where sound public policy must enter. This is a new deminsion to government economic policy - - - how to provide the incentives for profitable private sector investment in an economy where the distortions of the Energy Crisis must be added to a growing list of social and environmental demands. Without this capital investment, however, the prospects for increasing the employment base of the U.S. economy in a non-inflationary manner will become bleak indeed."

#### WHAT STIMULUS? WHAT DEGREE?

The economic policy debate today in this country centers around the question as to what stimulus, and to what degree, is needed to get the economy moving again. Safer points out that the prime Democratic argument is that the economic slowdown has been the result of short-falls in the government deficit. This is that the Ford administration simply did not spend what had been budgeted, therefore causing the demands for goods and services to fall. On the other hand, the Republicans contend that inflationary pressures are to blame. The consumer's real income is all but eroded by abnormally high rates for goods and services, especially in the housing and manufacturing areas. Necessary items such as food, clothing, fuel and the like are so high that there is virtually nothing left to purchase durable items such as houses, automobiles and so on.

Based on the first view then, the answer to the problem lies in a higher level of capital spending. In the second view, a more restrictive monetary policy is called for to dampen inflation.

"Although there is something to be said for both of these approaches," said Dr. Safer, "I believe that there have been some fundamental changes in the U.S. economy caused, in large part, by the abrupt change in the relative price of energy. These changes seem to be related to the difficulty of the U.S. economy to respond on the supply side in its historical manner. I submit that one of the principal sets of supply constraints is intimately associated with the Energy Crisis."

Dr. Safer explained that he was not simply referring to the lack of supply (availability) of fuels today, but to the high price of energy which "forces either a cancellation of capital projects because they are uneconomical or requires a higher price for the final output which adds to inflationary pressures. The result is that the high cost of energy becomes both an inflationary and recessionary force at the same time."

Continuing, Dr. Safer stated that "if capital projects are to be carried out in today's economy there must be a reasonable expectation that the output can be sold at prices high enough to yield an acceptable return on investment. To this extend, the abrupt and dramatic increase in oil prices has added an inflationary underpinning to the production of most goods and services in the U.S. economy, and the series of second and third order inflationary effects have not yet been fully digested into the cost-price structure of the economy."

"At the same time," Dr. Safer said, "because of the need by consumer to spend more on energy and less on other goods and services, those postponed or cancelled capital projects are delivering neither the jobs nor the increased productivity which is so necessary for an economic expansion sufficiently rapid to absorb the new entrants into the labor force."

In his concluding statement, Dr. Safer alluded to the electric utility industry and the fact that energy production and the construction of new generation facilities could provide about 25 percent of 800,000 new jobs in this country. This would have a dramatic effect on unemployment, while stimulating capital spending on projects directly aimed at solving our dependance upon the OPEC nations for fuel.

"Although the policy alternatives to achieve these improved employment opportunities may differ, the overall implication for the economy is the same: idle manpower can be put to work in the implementation of a policy of greater energy self-sufficiency."



## Chairman Updates Bureau

### TAERF Recieves Research Approval

The University of Texas has been approved by the Federal Energy Research & Development Administration (ERDA) for construction of a unique nuclear fusion research facility on the UT campus in Austin, according to Floyd Smith, board chairman of the Company and president of the Texas Atomic Energy Research Foundation.

"We are pleased to see this latest recognition of the importance of the Texas fusion research program which we have helped support through the TAERF for 20 years."

The foundation, composed of 10 Texas power companies, initiated the

world's first and largest privately financed research effort in nuclear fusion in 1957. In recent years, the foundation's program has been housed at the University of Texas at Austin.

Nuclear fusion is the process responsible for the tremendous energy of the sun and stars. Throughout the world scientists are trying to discover how to create and control fusion reactions so this important energy source can be used to produce electric power.

The new research program at the university will be centered on a new and  
(Continued on Page 11)

Approximately 30 members of the Company's Speaker's Bureau heard Board Chairman Floyd Smith label as "incredibly shortsighted," a decision by the Louisiana Public Service Commission rejecting GSU's request for a general increase in electric rates that would have added \$24 million in annual revenue.

The Speaker's Bureau, an organization made up of employees throughout the system who come in daily contact with the public, were on hand in Beaumont to get a first hand update on the position of the Company following the LPSC decision. The Commission did approve about two-thirds of the requested \$2 million in additional gas revenues, but stipulated that the new rates, which would affect approximately 74,000 customers, would not be put into operation until May 1, following the winter peak demand.

GSU immediately went to court and won approval to implement the new gas rates in mid-February. Judge Melvin Shortess, 19th Judicial District Court, found the Commission's action in delaying the rate increase to be "an abuse of the discretion of the commission." The Company also plans to appeal the electric rate decision in court in the near future.

"You people have done a tremendous job in reaching the public," Smith said. The Speaker's Bureau made some 1100 presentations, reaching an estimated half-million customers and their families during 1976. "Now your job is larger than ever. The public must be made aware of the position their electric utility is in, and why the decision of the LPSC could retard future industrial growth and result in higher unemployment."

As a direct result of the LPSC decision the Company has reduced its 1977 construction budget by some \$54 million. The original estimate, based in large part on a favorable decision by the LPSC, had been \$302 million.



**IN CASE OF FIRE**—J. W. Hemby positions five instructions on one of the floors in the main office in Beaumont. For the past several years the 22-story high rise GSU building has been undergoing fire-prevention renovation. A sprinkler system has been installed, fire extinguishers checked, fire escape stairway on the outside of the building checked and strengthened, and a comprehensive education program for selected "floor wardens" carried out to aid in evacuation should it ever be necessary. Gerald Dean, evacuation control chief, said the building is about as safe as a high rise can be. "I just hope we never need to put these precautions to the test," said Dean.



# Edd Mitchell Named Man of Year

Edd Mitchell, consumer service representative in Cleveland, has been honored by the southeast Texas city as its Man of the Year.

A 27-year veteran of the Company, Mitchell was honored for his civic leadership in the community. In a news story in the CLEVELAND JOURNAL, Mitchell is described "... as a silent and often overlooked sower of the civic seed for many years. He has, from the day he



Edd Mitchell

## TAREF (From Page 10)

sophisticated fusion machine which has been dubbed the Texas Experimental Torus (TEXT). A torus is a doughnut shaped device in which scientists hope to be able to confine and heat fusion fuels to the very high temperatures necessary to create fusion energy.

Construction of the TEXT experiment, the largest research project ever undertaken at UT, will begin this spring. The project will cost about \$7½ million.

"Although we do not expect to be able to use fusion for power generation before the turn of the century," Smith said, "the Texas power companies consider it important as a potential energy source."

"In the immediate future," he said, "we must rely upon coal and uranium for our energy supply. This is particularly true in Texas because utilities here must reduce their use of natural gas for electric power generation."

In nuclear fusion, atoms of light elements such as hydrogen or deuterium combine, releasing huge amounts of energy through the conversion of a part of their mass into energy. The process is very difficult to achieve because of the very high temperatures - hundreds of millions of degrees - that are required to ignite it.

came here from his hometown of Navasota, given of himself for the benefit of his friends and neighbors."

Ed Loggins, Manager of the Western Division, added additional praise on Mitchell. "Your selection as Man of the Year for Cleveland was a source of great pride to me and your fellow workers... I personally feel your selection for the honor was well justified and I congratulate you," wrote

Loggins.

Mitchell is Chief of the Fire Department for which he volunteered his services for the past 17 years; president of the Cleveland Park Board; Secretary of the Cleveland Sheriff's Posse; and a member of the Kiwanis Club, "and over the years has assumed many roles and responsibilities for which any hope of just recognition would be wasted," said the JOURNAL.

## Pop Guidry Alive and Well

"Pop" Guidry is alive and well and wants everyone to know it.

"Pop" who retired a number of years ago, has been keeping busy and creating a reputation for himself down in Abbeville, La., which Pop describes as "The Main Part of Louisiana." Recently Pop appeared in the pages of the Abbeville Meridional holding one of his world famous cabbages.

"This cabbage is not the biggest one I grew this year," said Pop, "but I'm saving that one for Mom Guidry." Pop said the weather was so cold the day the picture was made that it was hard to smile. It didn't seem to affect the cabbage patch though.

Pop says the winter did stunt the

cabbages some however, that they grew bigger last year. "I grew one last year with a span of 44 inches, but they are a little smaller this time."

Still, Pop has a way of growing almost anything in his garden. His cherry tree is blossoming, ready for a new season of cherry bounce. "The cold was tough on my orange trees," said Pop, "but they are going to make it."

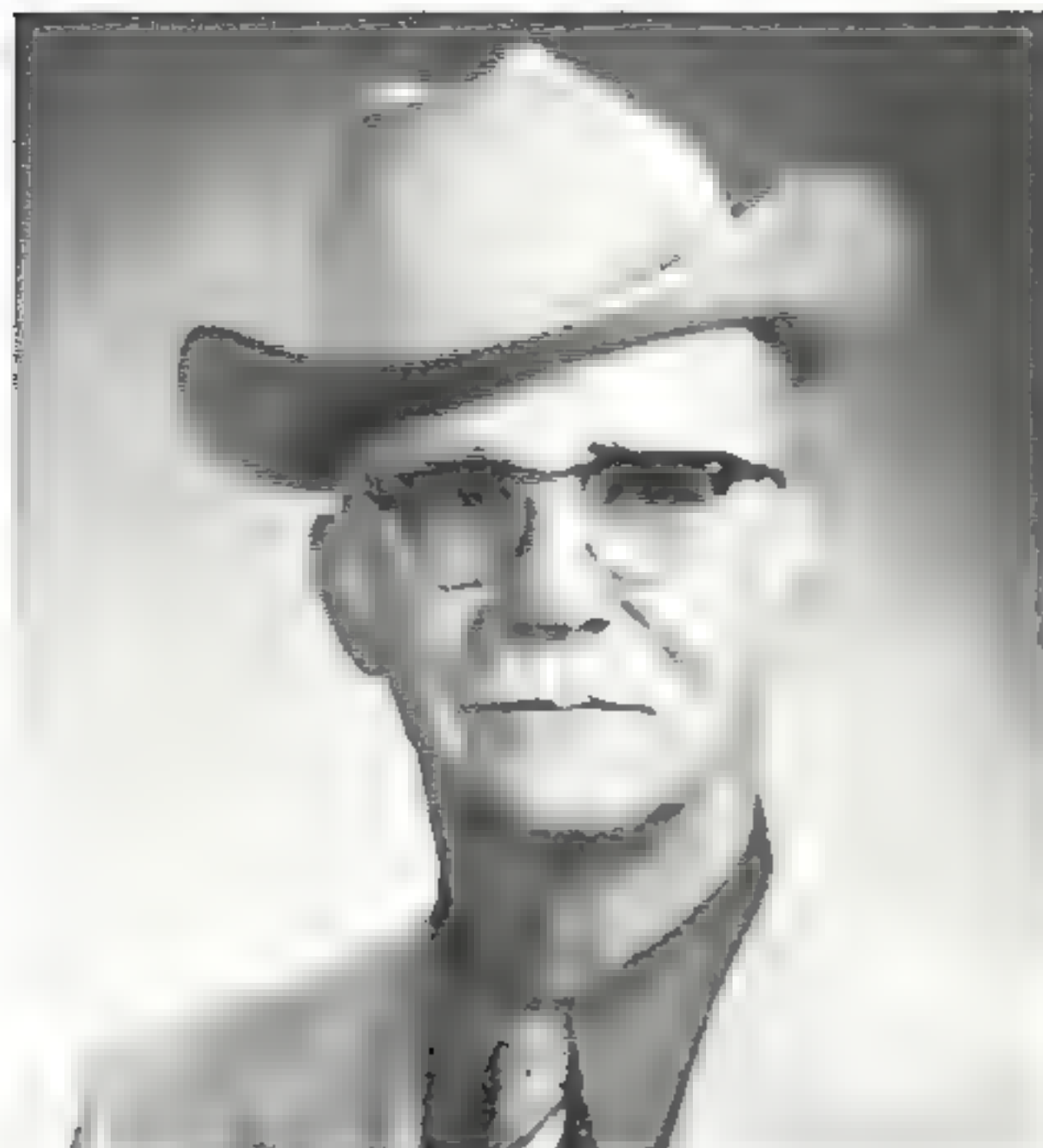
In closing Pop said to say hello to everyone and to tell them "that Pop is still alive and kicking down here in Abbeville." The Guidry's will soon be celebrating their 60th anniversary, and Pop says the secret to a long and healthy life is simply to stay busy. "You've got to keep busy... and thank the Lord."



CAJUN CABBAGE—Sabre J. "Pop" Guidry, retired GSU employee living in Abbeville, proudly holds a head of cabbage "a little smaller than last year," but still large enough to boggle the mind. Pop is well known for his cabbage patch, and much of the crop each year ends up as a Christmas gift to friends.



# Retirements



Valery E. Blanchette



Allen W. Carpenter

Valery E. Blanchette, inspector-contract crews, Beaumont, retired in February after 40 years of service.

The Beaumont native was employed back in 1936 as a groundman in Beaumont T&D. He was transferred to Jasper, Tx. in 1938 as a serviceman's helper, and in 1941 was back in Beaumont as assistant serviceman. During the ensuing years of WWII he held assignments in Liberty and Woodville, before once again returning to Beaumont as a lineman and serviceman. He was promoted to utility foreman in 1955, and line foreman in 1956. After a three year stint in Orange he again returned to Beaumont in 1961, and in 1970 was promoted to inspector-contract crews.

Allen W. Carpenter, serviceman in the Baton Rouge Gas Department, retired in February after 35 years of service.

Carpenter, a native of Denham Springs, La., was employed in 1941 as a helper in the Gas Department. His career was temporarily halted from 1942 to 1944 while

serving with the U.S. Army in WWII. He was re-employed in 1944 as an apprentice in the Gas Department. From that point he progressed through various stages of advancement and was named a serviceman in the Gas Department in 1969.

## THRIFT PLAN

Purchases of Gulf States Utilities Company stock made by the Trustee during January, 1977 covering employee deductions and Company contributions through December, 1976 were as follows:

Type of Stock	Number of Shares	Total Cost	Average Cost per Share
Common	17,553	\$258,620.76	\$ 14.734
\$4.40	102	5,962.35	58.454

The Trustee deposited \$122,255.93 with the Savings Department of the First Security National Bank.

Number Shares	Date Purchased	Price Per Share	Total Cost
Gulf States Utilities Company Common Stock:			
2,787	1/6/77	14 5/8	\$ 40,759.92
1,300	1/7/77	14 3/4	19,414.93
200	1/7/77	14 3/4	2,986.92
200	1/7/77	14 3/4	2,986.92
100	1/7/77	14 3/4	1,493.46
1,400	1/10/77	14 3/4	20,875.14
400	1/10/77	14 3/4	5,964.32
300	1/10/77	14 3/4	4,473.24
300	1/10/77	14 3/4	4,473.24
200	1/10/77	14 3/4	2,982.16
200	1/10/77	14 3/4	2,982.16
100	1/10/77	14 3/4	1,491.08
100	1/10/77	14 3/4	1,491.08
100	1/10/77	14 3/4	1,491.08
100	1/10/77	14 3/4	1,491.08
4,700	1/11/77	14 5/8	69,320.88
3,700	1/11/77	14 1/2	54,109.17
66	1/11/77	14 5/8	977.48
1,300	1/12/77	14 3/8	18,856.50

Gulf States Utilities Company \$4.40 Preferred Stock:

53	1/6/77	58	3,074.00
40	1/10/77	58	2,356.00
9	1/10/77	58 1/4	532.35





**AT THE SCENE**—Lineman Pete Licce swings his auger into the digging position as J. D. Alexander, Otis Gilford and Willie Hoffart assist. This emergency action took place in sub-freezing weather in Conroe.



**GRADUATE**—Ronald D. Hale, Safety & Claims Representative in the Western Division, saw the end of seven years of hard work come to a successful conclusion when he was graduated from Sam Houston State University in Huntsville with a bachelor's degree in business administration. "The seven years of night school was worth it," said Hale. (from Marilyn Key)

## Car Knocks Out Service; Scene Resembles Battlefield

It was very quiet in the Conroe Dispatcher's office on Saturday afternoon, February 5. Suddenly a bell indicated Oil Circuit Breaker 512 in Conair Substation had opened. Within minutes Dispatcher Floyd Helton was receiving "lights out" calls from the North Frazier area of Conroe.

Some of the callers had seen the accident. A car was speeding down North Frazier out of control. At the

intersection of Lewis and North Frazier, the car leapt the curb and broke down a 45 foot pole holding GSU's distribution, Con-Tel's telephone circuits and Conroe Cable TV's lines.

Servicemen, supervisors, anyone he could find were dispatched to the scene by Helton. Conroe police came on the scene to divert traffic. Foreman Jerry Fryer and his crew rolled up in the sub-freezing weather and systematically began removing the stump of the old pole and getting ready to set a new one.

David Deck, owner of a photography studio in Conroe, came up on this scene which he said looked like a battlefield with all the flashing red lights and spotlights piecing the air. He took the accompanying photos and sent them to us.

The people in the neighborhood businesses watched intently as Fryer's crew of Warren Watson, J. D. Alexander, Pete Licce and Willie Hoffart did their thing. Every comment from the public on this widely seen job has been highly complimentary.

## DEATHS

Two active and four retired employees of the Company have died during January and February.

**Robert W. Aleshire**, meterman in the Lake Charles Division, died Feb. 13. The Crowley, La. native had been an employee since 1941.

**Dallas Bartie**, mechanic's helper in Port Arthur, died Jan. 12. Bartie, a native of Cameron, was employed in 1948 as a laborer. He progressed through various stages over the years and was named garage mechanic in 1976. Bartie was a four year veteran of the U.S. Army having served in the Corps of Engineers in WWII.

**William Dostson**, retired laborer at Louisiana Station, died Feb. 7. Dostson retired some 13 years ago after 31 years of service with the Company, all at Louisiana Station. He was a Baton Rouge native.

**Clarence M. Hereford**, retired lineman in the Beaumont Division, died Jan. 13. The Burtram, Tex. native retired in 1975 after 48 years of service. He held assignments in Conroe, Cleveland, Huntsville, and Madisonville before being transferred to Beaumont in 1936.

**Jacob Ross**, retired janitor in the main office in Beaumont, died Feb. 6. Ross retired in 1961 after 40 years of service. He was a native of Grosse Tete, La.

**French S. Sheffield**, retired collector in the Beaumont Division, died Feb. 12. "Frenchy," as he was known to most Gulf Staters, began his utility career with Eastern Texas Electric Company (a predecessor company of GSU) in 1917. He was 82 years old.



# PEOPLE ON THE MOVE

Four promotions have been announced at Louisiana Station by J. D. Watkins, superintendent.

**Joseph E. Zammit** has been promoted to general maintenance supervisor, **Alfred P. Lusk** to mechanical maintenance supervisor, **Guy S. Aydell** to mechanical maintenance foreman and **George H. Naquin** to mechanical maintenance foreman.

Zammit, former mechanical maintenance supervisor, is a 17-year veteran of the Company. His entire career has been spent at Louisiana Station.

He is married to the former Mary Alice Hudson of Baton Rouge, and the couple has three children, Joseph E. Jr., John T. and Margaret. The Zammits have three grandchildren.

Lusk was employed in 1938 at Louisiana Station as a repairman helper. He was promoted to master repairman in 1945 and named labor foreman in 1959. He was promoted to mechanical maintenance foreman in 1965.

He is married to the former Laura Jacobs of Baton Rouge, and the couple has four children, Laura, Cyril, Ann and James.

Aydell, a native of Livingston, La., was employed in 1951 at Louisiana Station as a mechanic's helper. He rose to master repairman in 1974.

He is married to the former Alice Hebert of Prairieville, La., and she is the principal at Galvez Elementary School in Ascension Parish. He is a four year veteran of the U.S. Army and served in Europe in WWII.

Naquin is a 31-year veteran of the Company. He was employed in 1946 as operator's helper and progressed to master repairman in 1970. The Sorrento, La. native is a veteran of the U.S. Navy, and is married to the former Angela Peragine of New York City. The couple has two children, Joseph and Anita.

Naquin is an active member of the American Legion Gautreau-Williams Post 81, and serves as vice-commander of Gonzales Memorial Post 3693 of the Veterans of Foreign Wars. He successfully completed a correspondence course in refrigeration and air conditioning from the Commercial Trades Institute.

Four changes involving personnel at Lewis Creek Station have been announced by H. L. Hammack, production manager in Beaumont.

**Lonnie J. Cobb**, former superintendent, has been transferred to Beaumont and promoted to director-production maintenance. **Floyd T. Langlois**, general maintenance supervisor, was elevated to superintendent.

In other moves, **Daniel O. Gipson** was named general maintenance supervisor, and **William B. Linnehan** was promoted to operation supervisor.

Cobb, who was named superintendent only last year, is a 16-year veteran of the Company.

The Bastrop, La., native is a graduate of Mississippi State University with a degree in mechanical engineering. He has also completed advanced training in nuclear engineering. He is married to the former Shirley Rogers of Houston, and the couple has four children, William, Ronnie, Cathy Lynn and Lisa.

Langlois joined the Company in 1952 as a junior engineer in Beaumont. The New Roads, La., native has served in numerous assignments at Neches Station, Willow Glen Station and Louisiana Station before being transferred back to Beaumont in system production in 1968. He was promoted to director-technical services in 1972 and in 1976 was sent to Lewis Creek.

Langlois is a graduate of the University of Southwestern Louisiana with a degree in mechanical engineering, and is a veteran of the U.S. Navy. He is married to the former Mary Madole of Beaumont, and the couple has two children, Judy Ann and Thomas.

Gipson, a 30-year veteran of the Company, is a native of Leesville, La. He attended McNeese State University and served in the Merchant Marine during WWII.

Gipson is married to the former Marjorie Mattingly of New Orleans, and the couple has three children, Mrs. Michael Giggar, William and Janet.

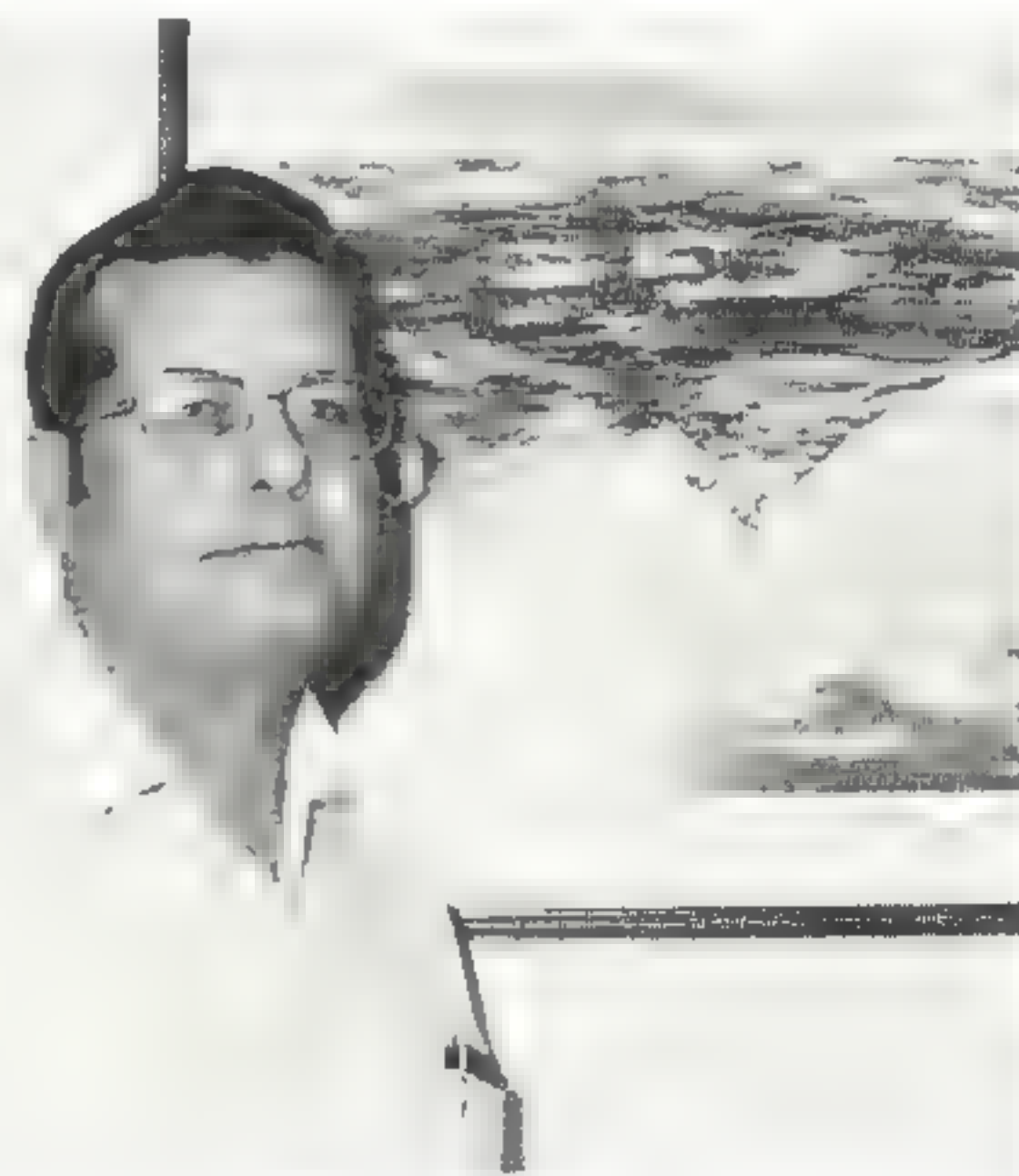
Linnehan is a 28-year veteran of the Company. He was employed in 1949 as an operator's helper at Neches Station. He later transferred to Lewis Creek and was promoted to control operations foreman in 1970.

Linnehan attended Lamar University and is a veteran of the U.S. Army. He is married to the former Mary L. Johnston, and the couple has four children, Jim, Bill, John and Laurie.

**Thomas R. Ballard**, former administrative accountant in Beaumont, has been promoted to senior administrative accountant.

An employee since 1974, Ballard is a graduate of Sam Houston State University with a bachelor's degree in accounting. He is married to the former Bessie Sadoski of Houston, and the couple has one child, a son, Ryan.

Langlois



**Hiram "Wes" Smith**, former internal auditor, has been promoted to senior internal auditor in Beaumont.

Smith, employed in 1974 as administrative accountant, was promoted to internal auditor in 1975. He is a graduate of the University of Southwestern Louisiana with B.S. degree in accounting.

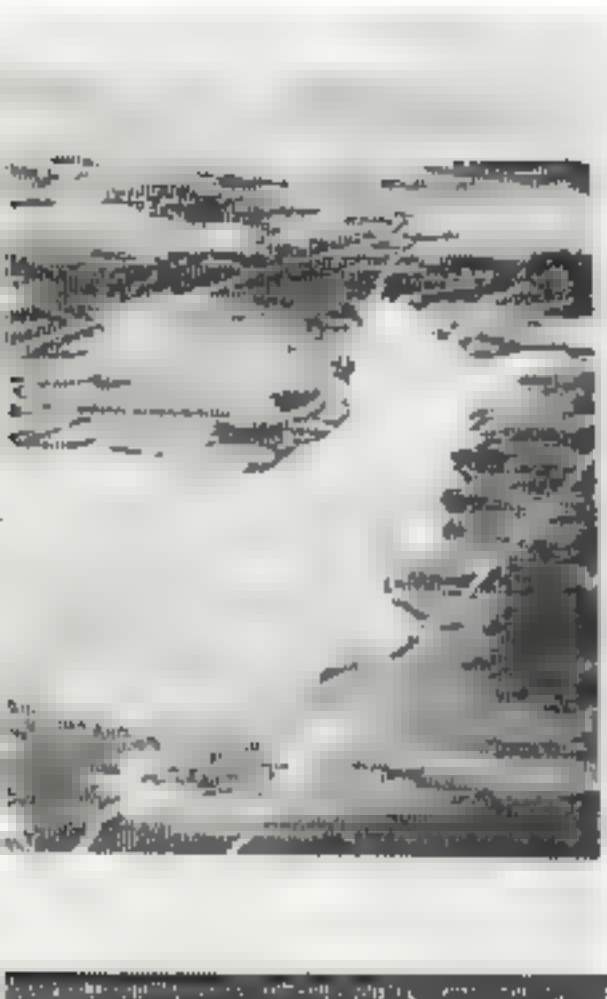
Smith is married to the former Charlotte M. Hebert of Lafayette.



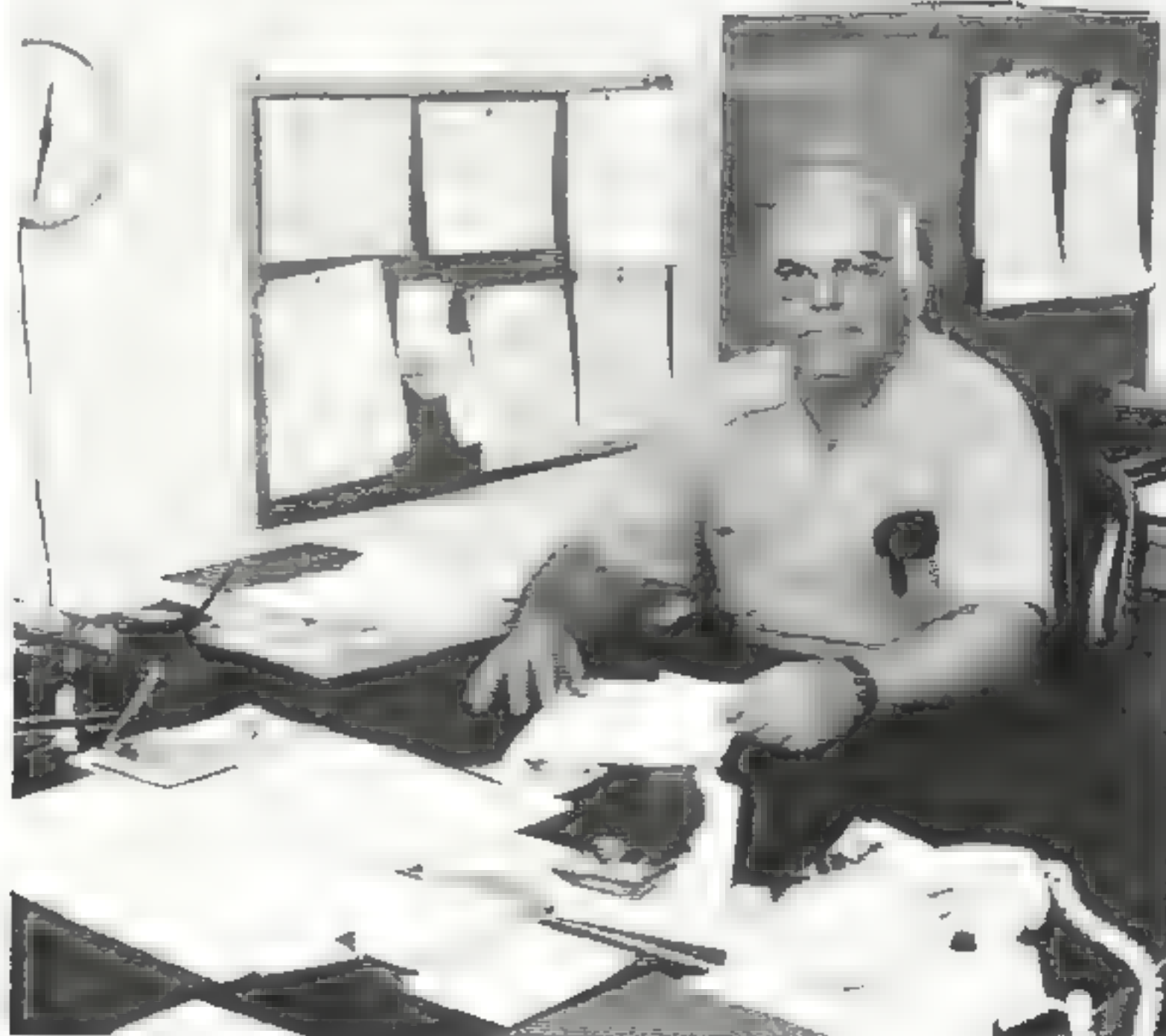
"Bullet" Linnihan



Aydell - Naquin  
Lusk - Zummit



Cobb - Welsh



Gibson



# PEOPLE ON THE MOVE

L. Patrick Bourne and Raymond D. Broussard have joined the Transmission Planning Department in moves announced by Milton Smith, director.

Bourne, former general maintenance supervisor at Louisiana Station in Baton Rouge, has been promoted to supervisor-area planning, Ray Broussard, former engineer in Technical Services, has been promoted to planning engineer.

Bourne is a native of Little Rock, Ark., and an eight year veteran of the Company. In 1970 he was transferred to Port Arthur in the Transmission & Distribution Department, and in 1972 returned to Beaumont in System Engineering. He was promoted to general maintenance supervisor at Louisiana Station in 1975.

He is a graduate of the University of Arkansas with a bachelor of science degree in electrical engineering.

Broussard, a 21-year veteran of the Company, was employed in 1956 as a junior engineer. He has held assignments in T&D Engineering, System Engineering, Standards, Planning, Production and Technical Services.

He is a graduate of Texas A&M University with a bachelor's degree in electrical engineering, and earned his master's degree from Lamar University in 1974. He is a three year veteran of the U.S. Air Force.

Broussard is married to the former Luella Bodin of Bridge City, and the couple has five children, Jerry, Cynthia, Alan, Charles and Kenneth.

James E. Cryer, engineer at Willow Glen Station, has been transferred to the personnel department in Baton Rouge and named training representative.

Cryer, an 18-year employee of the Company, joined GSU in 1958 as an engineer in Beaumont. He was named industrial engineer in 1964 in Division Marketing, and in 1968 moved to Standards-Design. In 1972 he went into System Production, and in 1973 was transferred to Willow Glen Station as engineer.

The Port Arthur native is a graduate of Louisiana Tech with a bachelor of science degree in electrical engineering, and is a four year veteran of the Air Force.

He is married to the former Gayle Elizabeth Comerford of Beaumont, and the couple has two children, Mary and John.

Kenneth T. Webb, former division accounting supervisor in Port Arthur, has been transferred to Baton Rouge and promoted to supervisor-industrial relations.

A native of Tyler, Tex., Webb was employed in 1961 after his graduation from Lamar University with a bachelor's degree in industrial management. After assignments in System Treasury, he was promoted to systems analyst in IDS in 1966, and in 1968 was promoted to project leader. Webb was elevated to design supervisor in 1971 and was promoted to division accounting supervisor and transferred to Port Arthur in 1974.

Webb is married to the former De-lores Moore of Beaumont, and the couple has one child, Kenneth Tracy Jr.

Ronald M. Carlin, former contract representative for Gulf States Utilities Company in Beaumont, has been transferred to Port Arthur and promoted to division Accounting Supervisor.

Carlin, a Groves native is married to the former Donna Peveto of Groves, and the couple has two children, Denise Elizabeth and Julie Diane.

Employed in 1970 as an administrative accountant in Plant Accounting, Carlin was later transferred to the Operating and Construction Budget Department and promoted to Contract Representative in 1974. He is a 1966 graduate of Lamar University with a bachelor's degree in accounting. He earned his master's degree in 1974 from Lamar.

Carlin is a veteran of the U.S. Army and is an active member of AF & AM No. 1315 Groves Lodge of Masons.

Sheila R. Broyles, former executive secretary to the vice president of the Baton Rouge Division, has been transferred to the Material Services Department in that city and promoted to assistant purchasing agent.

A graduate of Southeast Louisiana University with a bachelor's degree in secretarial science, Mrs. Broyles was employed in 1963 as an executive stenographer in Division Operations. She was promoted to executive secretary in 1967.

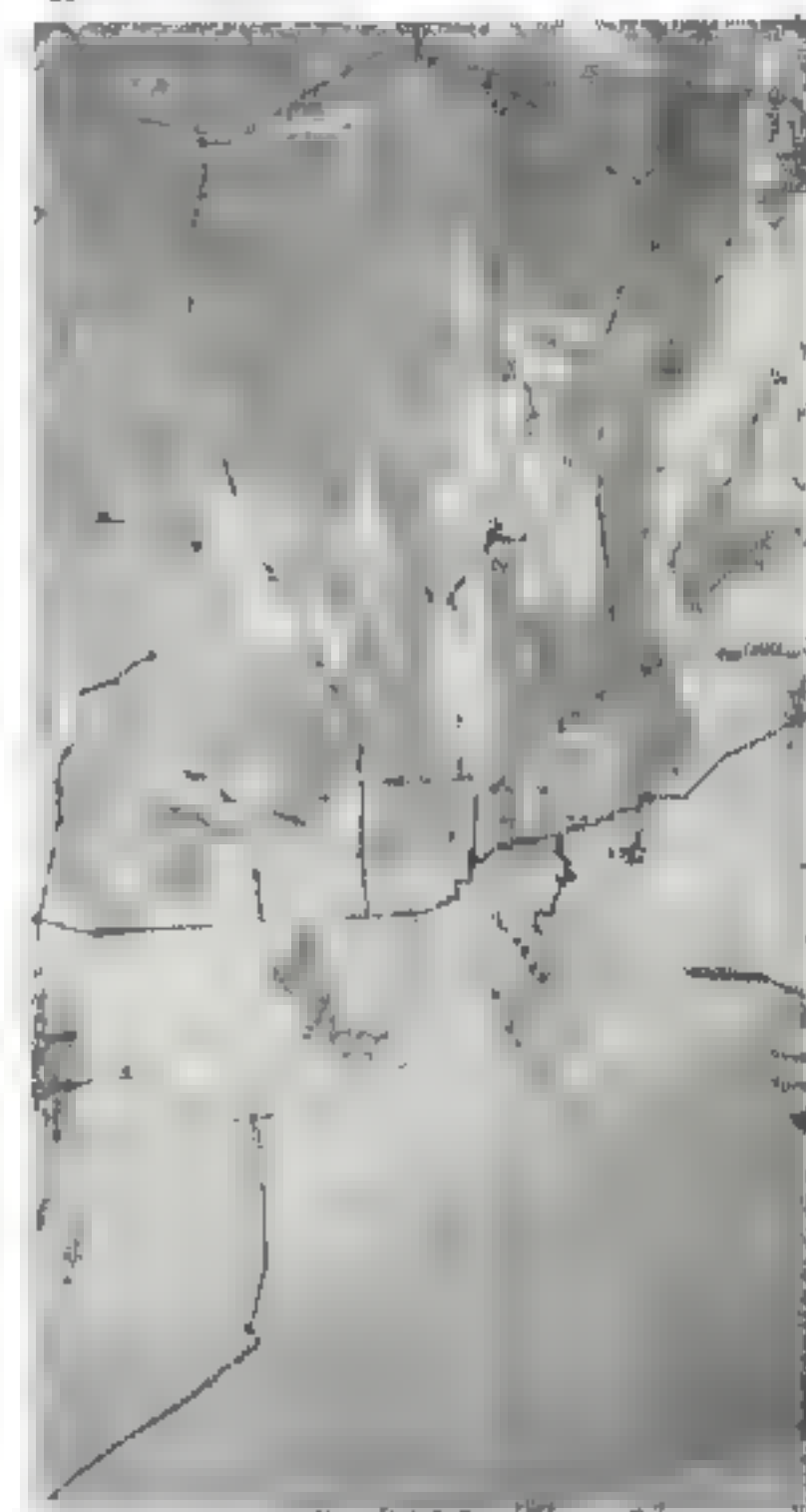
Mrs. Broyles is a native of Tylertown, Miss.

Gary E. Diamond, former quality assurance representative, has been promoted to operations quality assurance supervisor.

Diamond, employed in 1961 as a test technician at Willow Glen Station near Baton Rouge, was transferred to Lewis Creek Station near Conroe in 1970 and promoted to test foreman. He was promoted into Quality Assurance in 1974.

He is a three year veteran of the U.S. Air Force, and is married to the former Joanne Alello of Baton Rouge. The couple has three children, Ricky, Keith and Dawn.

Broussard



Thomas M. Welch, former engineer at Louisiana Station, has been transferred to Beaumont and assigned to the Technical Services Department.

Welch was employed in 1969 as an associate engineer in T&D Engineering in Baton Rouge. Shortly thereafter he entered the U.S. Air Force for a three year period with service in Japan. He was discharged in 1972 as a 1st Lieutenant, and reinstated in his old job. In 1976 he was transferred to Louisiana Station.

Welch is married to the former Donna Schilling of Hammond, La., and the couple has one daughter, Kyla Elizabeth. He is a graduate of Louisiana State University with a B.S. degree in electrical engineering, and is an active member of Eta Kapp Nu, Tau Beta Pi and Phi Kappa Phi honor societies.



Ballard



Smith



Broyles



Carlin



Diamond



# SERVICE AWARDS

## 40 Years



**J. L. Terrell**  
Electric T&D  
Dayton



**Thomas D. Brooks**  
Electric T&D  
Jennings

## 30 Years



**Joe A. Bailey**  
Division Marketing  
Huntsville



**John H. Beagh**  
Division Marketing  
Church Point



**Murphy L. Guidry**  
Electric T&D  
Lafayette



**Calvin N. Hall**  
Division Operations  
Lake Charles



**Kenneth R. Hoffpauir**  
Division Production  
Port Arthur



**Sidney Jack**  
Electric T&D  
Baton Rouge



**William J. LeBouef**  
Division Accounting  
Mid County



**M. D. Stephenson**  
Electric T/D  
Beaumont



**Leland R. Broussard**  
Electric T&D  
Lake Charles



**Earnest F. Dawson Jr.**  
Division Marketing  
Conroe



**James L. Glascock**  
Division Marketing  
Baton Rouge



**George E. Kelley**  
Material Services  
Baton Rouge

## 10 Years





**Glenda D. Andrus**  
Engineering Design  
Beaumont



**Bernard C. Bourgeois**  
Electric T&D  
Baton Rouge



**Edward J. Bourgeois**  
Electric T&D  
Baton Rouge



**Carter A. Carpenter**  
Electric T&D  
Baton Rouge



**Theodore B. Chaney**  
Electric T&D  
Baton Rouge



**Jeffery P. DeRouen**  
Electric T&D  
Lafayette



**Travis R. Fox**  
Electric T&D  
Sulphur



**Robert W. Jarvis**  
Electric T&D  
Baton Rouge



**Mary F. Jordan**  
Division Accounting  
Beaumont



**J. M. Manuel**  
Electric T&D  
Lake Charles



**Charles L. Powell**  
Electric T&D  
Beaumont

**20  
Years**



**Eugene W. Salonek**  
Electric T&D  
Orange



**R. D. Streitmatter**  
Division Accounting  
Lake Charles



**Gwendolyn P. Thompson**  
Executive  
Beaumont



**Bobby L. Thompson**  
Engineering Design  
Beaumont

**10  
Years**



**Donald Murphy**  
Electric T&D  
Jennings



**Robert D. Ousse**  
Electric T&D  
Lafayette



**Douglas D. Skinner**  
Division Production  
Beaumont



**Daniel J. Terro**  
Division Accounting  
Sulphur



## Reporters

When you have any news or a story you think would be interesting to other Gulf Staters, contact the reporter nearest to you, or write or call the **PLAIN TALKS** editor, Pat McMeel, in Beaumont. Notify **PLAIN TALKS** reporters of any event that is happening in your area that the magazine should cover. A complete list of reporters and their locations is given below. If any persons named are no longer with the company or no longer active reporters, please contact Pat McMeel. Persons wishing to become **PLAIN TALKS** reporters should also contact the editor. We can never have too many reporters.

**BATON ROUGE:** Margie Force (T&D); T. Boone Chaney (T&D), Melanie Hima (T&D), Jack Gautreaux (T&D), James W. Bello (T&D), GERALYN Williams (Gas), Glenda Boyd (Acct.), Mary Smith, Robert Graves (Storeroom), Susan Wilks, Debbie Lynn (Engr.), Linda Nelson (Meter), Debbie Reeves (Sub.), Rhonda Cheek (Govt. St.)

**BEAUMONT:** Bill Toups (S.C.), Carolyn Motl (T&D), Ann Ogden, Edy Matthews, Dorothy Nowell, Carolyn Thaggard, Gina Collins, Gene Russell.

**CALVERT:** Betty Dowell.

**CLEVELAND:** Edd Mitchell.

**CONROE:** Frances Elliot, Marilyn Key, Pat Jones.

**DENHAM SPRINGS:** Lenelle Juban.

**GONZALES:** Billie Fortenberry.

**HUNTSVILLE:** Karen Morley.

**JENNINGS:** Earl Mayfield.

**LAFAYETTE:** Mona Burris.

**LAKE CHARLES:** Billie Belvin (Garage), Edith Patterson (T&D), Janet Followay.

**LA. STATION:** Marilyn Nicholson.

**LEWIS CREEK:** D. W. Rutherford.

**MADISONVILLE:** Jean Tinsley.

**NAVASOTA:** Betty Dickschat.

**NECHES STATION:** Terry Bond.

**NELSON STATION:** Martha Caldwell.

**NEW CANEY:** Diana Winkelmann, Paul Mosley.

**ORANGE:** Doris Womack.

**PORT ALLEN:** Adele Vavasseur.

**PORT ARTHUR:** Sue Williams, Lorraine Dunham (S.C.)

**SABINE STATION:** Darlene Faires, Fred Kressman.

**SOMERVILLE:** Mary Brock.

**SULPHUR:** Pearl Burnett.

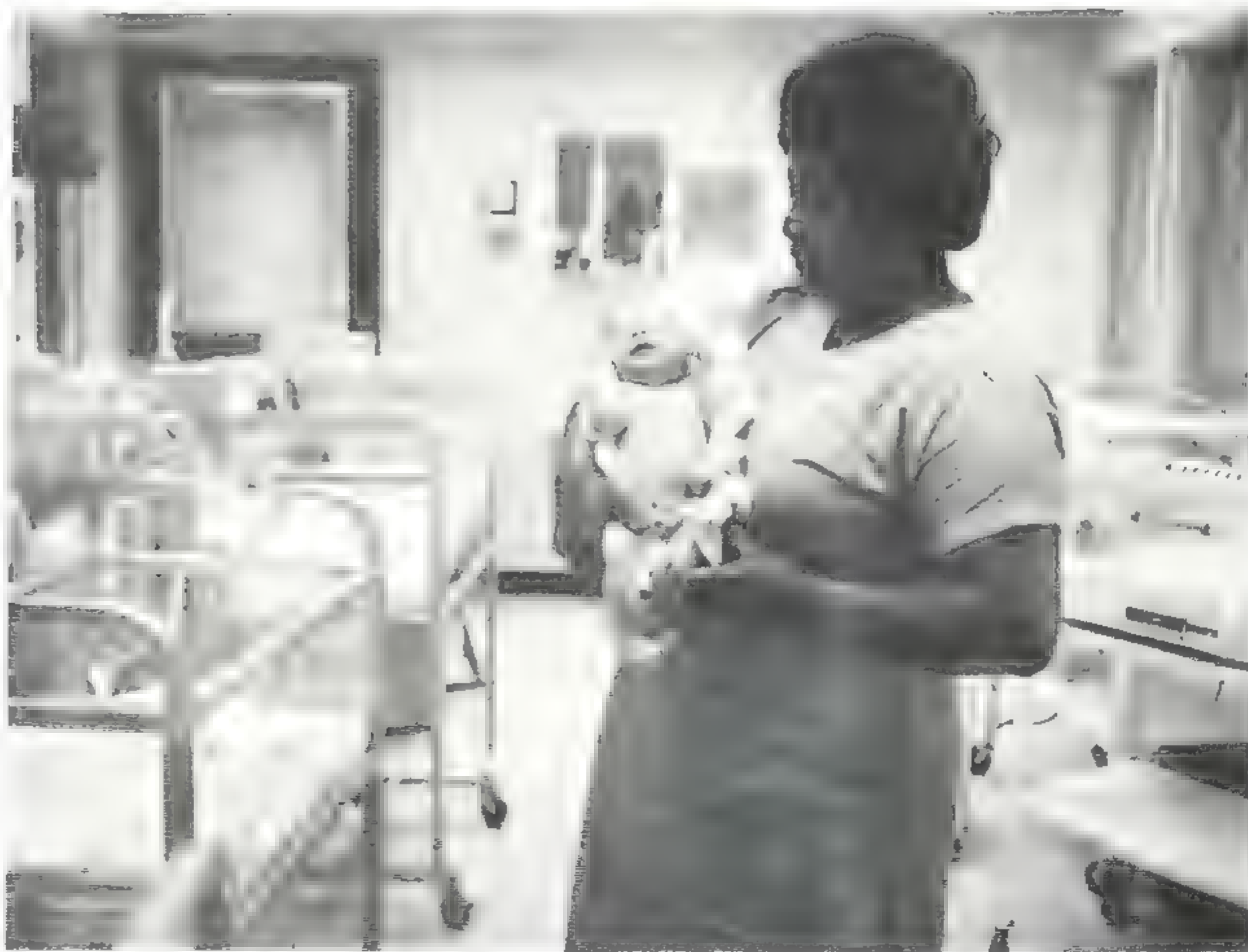
**WILLOW GLEN:** Dora Landaiche, James Veatch.

**WOODVILLE:** Alene Cole.

**ZACHARY:** Myra Ponthier.



**FINALIST**—Charlotte Ann Dixon, 20-year old daughter of O. M. Dixon (Assistant General Substation Foreman at Beaumont T&D), was one of the five finalists for the 1976 Lamar University Homecoming Queen contest. The Lamar beauty will graduate in May as a Dental Hygienist. She was sponsored in the contest by Alpha Chi Omega. (from Carolyn Motl)



**WELCOME TO THE WORLD**—Little Jerrod David Dobbs is just going to have to get used to the idea that people are going to take his picture. An attendant at the Women's and Children's Hospital in Beaumont tenderly holds the eight pound, 13 ounce

package for his first picture. Jerrod, born Dec. 2, is the son of Joe Dobbs, supervisor of General Accounting and Controller of Varibus. Joe said his wife, Linda, is doing fine. The Dobbs have one other child, a daughter, Jennifer. (from Ursula Segree)





**WHO'S WHO**—Scot Alan Shaw, 18-year-old son of Virgil Shaw, marketing strategist-Beaumont, is among the nation's outstanding high school students listed in the 1975-76 edition of Who's Who Among American High School Students. Scot is a senior at Beaumont Charlton-Pollard High School. He is a member of the National Honor Society, and is president of the local chapter. He is also a member of the Student Council, treasurer of the Dramatic Club, and a member of the Key Club. He was among a select group to attend the Cullen College of Engineering summer seminar held at the University of Houston, and will represent this area when top high school students from across the country gather in Washington, D.C. early this year for the Presidential Classroom, a program to familiarize top students with the workings of the government.

**OVER THE TOP**—Hal Ridley and the rest of the employees at Sabine Station near Bridge City, received notice from the Blood Center of Southeast Texas that they and their dependents would be insured through the coming year should a need for blood arise. The notice came following a voluntary blood donation drive conducted at the power plant. "We hope that the knowledge that perhaps you have helped save someone's life is generous compensation for your efforts."



**BACK ON THE FARM**—Gina Collins, a familiar face and smile to many Gulf Staters in the main office in Beaumont, is leaving Customer Account and the Company to become a full time farm girl. Before leaving she was given a going away party by her friends and co-workers. Gina, seated, is surrounded by, left to right, Barbara Burris, Betty Baker, Phylliss Lancon, Jack Martin, Marsha Cozad and Charlotte Bass. Good bye Gina, we'll miss you. (Barbara Burris)



**SURPRISE**—Better late than never I guess. Alice Simon (Financial Services—Beaumont)— was given a surprise bridal shower by her friends. The shower was totally unexpected which is not hard to understand since she and her husband, Alvin, were married 14½ years ago.



**GOING AWAY**—Mike Durham, who recently was promoted to Safety Director and transferred to Beaumont from Port Arthur, was presented an attache case among other gifts, by his friends and co-workers. Other gifts included a Puma Knife and De-Liar Fish Scale (which he can use). By-the-way, the attache case was filled with Mike's favorite "beverage". (from Loraine Dunham)







**BISHOP BURGERS**—Brooks Bishop, Marketing Department in Beaumont, spends a portion of his vacation time each year marketing another product at the annual Southeast Texas State Fair in Beaumont. He and his wife have been doing this for a number of years and thoroughly enjoy themselves. "You meet all kinds of people in this business," said Bishop, "and learn a lot about life in general."



**SMILE**—Brian Christopher, 9-month old son of Dewey Lytle (Division Engineer-Baton Rouge) doesn't seem to be too sure that he wants his picture taken. But he gave in after a little pleading from mom and pop. (from Margie Force)



**WE ALWAYS KNEW IT**—Mike Yennie is not your everyday run of the mill SOB. He's officially been named a Double-SOB by those he supervises. Before you get the wrong idea . . . Double SOB means Super Swell Old Boss, and is a contest run by a local Beaumont radio station. As the winner "Big Mike" received a Heartburn Special . . . two hot dogs with chili. Just what he needed. This Valentine's Day Award was well earned. "We really do think he's a Double-SOB," said one who wished not be named.



**DIG IN**—Joe R. Havens, utility foreman in Lake Charles T&D, surprised his crew with a cake during the Christmas Holidays. His crew, L.JJ. Benoit and K. M. Ingels, along with other T&D personnel, left not a scrap. It was a way of making up for giving Benoit and Ingels a hard time the other 240 days of the working year. At least that's what they said. (from Edith Patterson)





**GONE AGAIN**—Tracy Webb, former Division Accounting Supervisor in Port Arthur was presented a going away gift by Jean Andrews, Customer Accounting Supervisor, prior to his leaving for Baton Rouge as Supervisor of Industrial Relations. Among the gifts were an attache case with a big box of Roloids. (from Sue Williams)



**BIG DAY**—Next to young man's first date with a girl, the next biggest day in most boys' life comes when they get their drivers license. Such is the case of Allen King, son of Lorraine King, bookkeeper in Baton Rouge. That drivers license also makes things a little easier for mom too, now she can be driven where she wants to go . . . and with little argument. (from Glenda Boyd)



**NEW SON**—Ronnie Hale, Safety & Claims representative in the Western Division, proudly poses with his son, Kevin Brent, for the photographer. Young Kevin was two months old at the time of the picture. Kevin is the first born of Ronnie and Charlotte. (from Marilyn Key)



**CITIZEN OF THE DAY**—Dorothy Bennett, Lake Charles Substation Department, was named Citizen of the Day by a local radio station. She received a bouquet of purple mums and pink carnations along with a certificate which stated that Dorothy was being honored for her years of dedicated service to GSU. Her name was mentioned approximately 20 different times during the day. (from Billie Blevin)



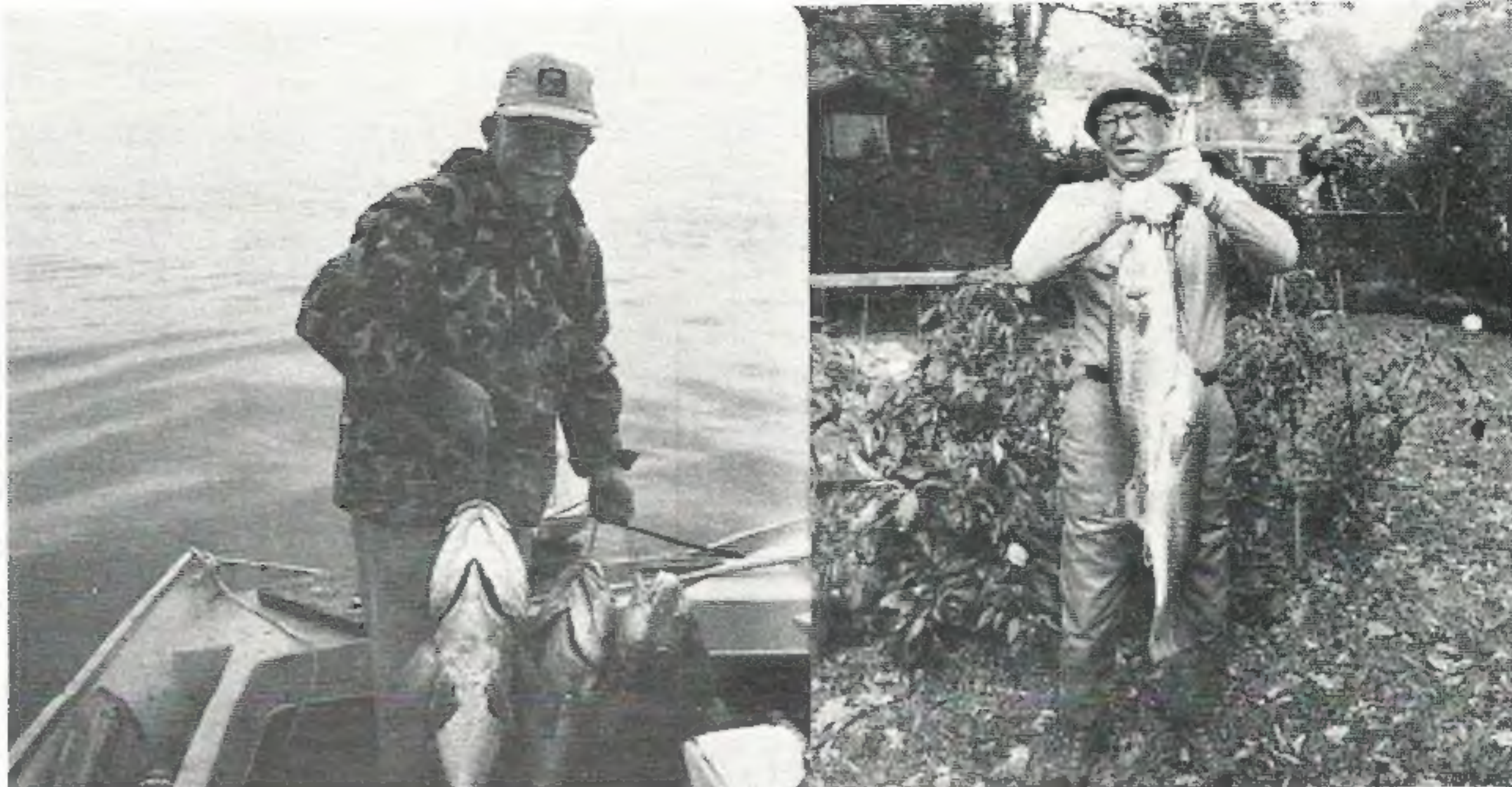


**FIRST BORN**—Chad D. Dean, a laborer in the Lake Charles garage, has been bragging a lot lately, and with good reason. He is the proud father of Benjamin Scott Dean, born July 19. Young Benjamin is the Dean's first child. (from Billie Belvin)



**HONORS GRAD**—Cynthia Echenhofer, daughter of W. R. Echenhofer (Switchboard Operator-Neches Station), graduated from Northwestern State University in Natchitoches, with honors. She was on the dean's honor roll every semester of her college career. Cynthia was active in the NSU Symphony, the Lake Charles Civic Symphony and the Rapides Parish Symphony of Alexandria. (from Terry Bond)

**HONOR GRAD**—Joe DeJean, Jr., "Eddie", graduated summa cum laude from Louisiana State University recently. The pre-medical student achieved a near perfect 3.983 grade average in four years of work. He is the son of Consumer Communications Coordinator Joe DeJean. Eddie was the third highest ranking graduate out of a class of 1,325.



**RETIRED—BUT NOT FROM FISHING**—E. L. "Robbie" Robinson and Jack Shirey could qualify to teach a lot of younger men the proper way to fish as evidenced by these fine catches. Robinson is holding a string of Drum he caught off the Sabine Jetty, while Shirey struggles to hold up his Redfish from Sabine Station.



**GOING AWAY FETE**—Employees at Lewis Creek Station got together to wish Lonnie Cobb farewell. Cobb left his job as supreintendent in the hands of Floyd Langlois. Before he left for Beaumont, Cobb was honored by his friends at a party in Ed Loggins' cabin on Lewis Creek Lake. It says here a good time was had by all. (from D. W. Rutherford)



**THE BEST**—Captain John S. Krebs, son of S. F. Krebs, Service Department Supervisor-Beaumont Service Center, was named Instructor Pilot of the Month at Webb Air Force Base, Texas. Scotty flies with the 3389th Flying Training Squadron, and has been in the Air Force five years. He is a former All-District baseball and basketball star of French High School, and graduated from the University of Texas at Arlington in mechanical engineering.



# YOUR BEST SHOT

Almost everyone at one time or another has taken what he considers to be his "best shot."

If you have a best shot you would like to see reproduced here, send it, with the negative if possible, to the PLAIN TALKS office in Beaumont. Your picture can be of any subject, taken with any camera. If selected for use it will automatically be in the running for "Best Shot of the Year," with the winner receiving a nice plaque. Okay . . . take your best shot.

Leonard Ray Dearman, a meter reader in Baton Rouge, sent in this pleasant photo of the upper portion of the Louisiana state capitol building. Framed in the branches of an oak tree, the facade of the capitol is brilliantly contrasted against a dark blue sky. Dearman's excellent photograph will join previous "Best Shot" winners in final competition for "Best Shot of the Year."



Photo taken with Vivitar 33mm camera, 100mm telephoto lens. Film used was Kodacolor II.



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